



Pihlajalinna

Q3 2017

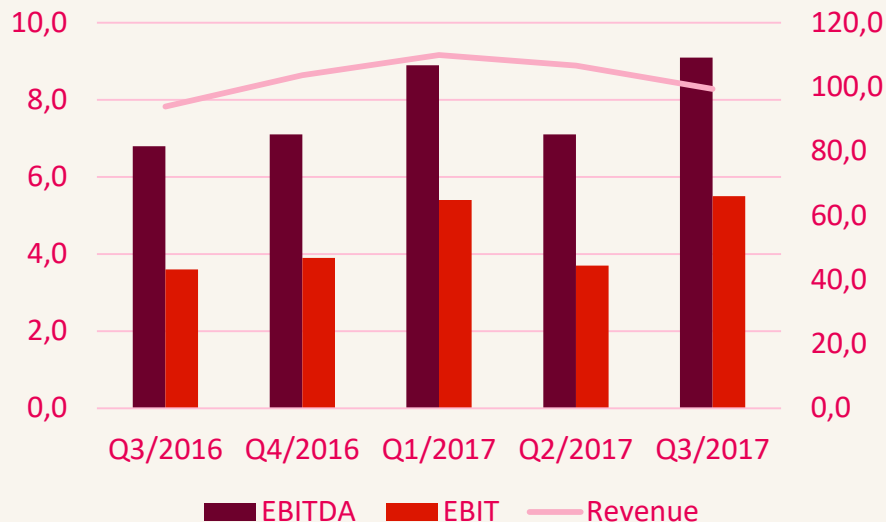
Aarne Aktan, CEO

Q3: P&S EXCELLENT, C&S IN LINE WITH EXPECTATIONS



- Revenue grew by 6 per cent, organic growth by 2 per cent
- Revenue growth mainly attributable to Social and Healthcare Outsourcings, Surgical Operations and Public Specialised Care and Private Clinics
- P&S segment's EBITDA grew by 49 per cent, EBIT by 44 per cent
- In C&S, both EBITDA and EBIT decreased slightly compared to last year

Group Key Figures, EUR million



Q3: EXPECTATIONS VS. ACTUALIZED



GROUP'S OPERATIONAL PROJECTS Q3-Q4

	PROMISED	DELIVERED	WE PROMISE
MAIN	• Begin the brand campaign • Expedite the GF project • Launch Group's new website and online appointment system	• Completed first phase of brand campaign • Launched new website and appointment system • Greenfield project on time	• Optimize and further develop the online appointment system • Enhance the application, launch to new groups
MID	• Launch new data management systems applications • Enhance the Pihlajalinna application	• Launch new data management systems applications • Pihlajalinna application's enhancement underway	• Launch new data management systems applications • Develop new Occupational Healthcare portal
LOW	• Launch HR platform Sympa to personnel • Further develop the robotics pilot projects	• HR platform's launch to employees postponed to Q4 • Further developed the robotics pilot projects	• Launch HR platform Sympa to personnel • Enhance the performance of the patient information system

LEGISLATION AND MARKET REVIEW 1/2

- The government presented the new legislative proposal concerning the Act on Freedom of Choice in October
- After the circulation for comments, the proposal is expected to be handed to the parliament at the beginning of March 2018
- The Act on Freedom of Choice, the Act on Organising Health and Social Services and the Counties Act will be considered simultaneously in the parliament
- The Ministry of Social Affairs and Health estimates that the size of the freedom-of-choice market would be, at minimum, EUR 5.8 billion
 - health and social services centres roughly EUR 2 billion
 - service vouchers roughly EUR 2 billion
 - personal budgets at least EUR 1.4 billion
 - dental care units roughly EUR 0.4 billion

LEGISLATION AND MARKET REVIEW 2/2



- The Act on Organising Health and Social Services and the Act of Freedom of Choice are intended to take effect on 1 January 2020
 - Personal budgets would come into force on 1 January 2020
 - Service vouchers should be adopted no later than on 1 July 2020, regional governments should take service vouchers into use in certain specialised care services no later than on 1 January 2022
 - The health and social services centres would begin operating on 1 January 2021, dental care units on 1 January 2022
- The current municipal outsourcing market has been very active due to the postponement of the health and social services reform, but many municipalities are waiting for the final content of the legislative reform in terms of their decision-making
- Ongoing tendering processes: Hattula, Rautalampi, Iisalmi (hospital)

